

Mr. Benson,

I commend you and the DHS persons for analyzing a sliding scale for distributing mental health state aid in proportion to county MH/DD ending balances. My interest was originally triggered by the Story County history of receiving too much state money and a high balance in alternate years, each followed by far too little money the next year. The county seemed to jump from just below a withholding break point with little or no withholding one year to just above another point with large or total withholding the next year.

The uncertainty (plus the change to a two-years prior ending balance) has caused our CPC to freeze payment rates to providers several times. A look at the data suggests that a dozen or more counties have been in a similar situation one or more years since 2002, although Story may be an extreme case.

Changing to a sliding scale starting at zero or below ending balances will take dollars away from the counties that expect to be below 5% or 10% balances every year. The ten largest counties in population are usually in that category so political pressures may be against sliding. Starting the scale at 5% might be more acceptable but only if appropriations were high enough to keep the withholding requirement relatively low.

Perhaps a simple solution is to give counties the option of refusing part or all of a state allocation that might cause a high ending balance that year that then would eliminate most or all of a future year's allocation. That could stop the cycle of high and low allocation years. The refused dollars could be re-allocated, perhaps pro-rated to counties that offered to accept more.

If that seems at all feasible, perhaps your group could suggest it to other workgroup participants.

Respectfully,

Marv Julius  
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